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Return of Private Foundation
 or Section 4947(a)(1) Nonexempt Charitable Trust
 Treated as a Private Foundation

Department of the Treasury
 Internal Revenue Service

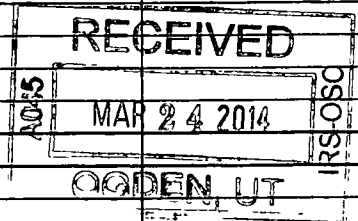
Note. The foundation may be able to use a copy of this return to satisfy state reporting requirements

Open to Public Inspection

For calendar year 2012 or tax year beginning 12/01, 2012, and ending 11/30, 2013

Name of foundation THE ROYALTY TRUST		A Employer identification number 20-6770692
Number and street (or P O box number if mail is not delivered to street address) JANET MERRITT, ANDREA MERRITT, GREG MERRITT		B Telephone number (see instructions) () -
Room/suite CO TRUSTEES		
City or town, state, and ZIP code 95 CENTENNIAL DRIVE		C If exemption application is pending, check here <input type="checkbox"/>
MEDFORD, NJ 08055		
G Check all that apply	<input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Address change	D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here and attach computation <input type="checkbox"/>
H Check type of organization: <input checked="" type="checkbox"/> Section 501(c)(3) exempt private foundation <input type="checkbox"/> Section 4947(a)(1) nonexempt charitable trust <input type="checkbox"/> Other taxable private foundation		E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>
I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 988,546.		F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
J Accounting method: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____		
(Part I, column (d) must be on cash basis)		

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see instructions).)				
1 Contributions, gifts, grants, etc., received (attach schedule)				
2 Check <input type="checkbox"/> if the foundation is not required to attach Sch. B				
3 Interest on savings and temporary cash investments	1.	1.		ATCH 1
4 Dividends and interest from securities	18,966.	18,966.		ATCH 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	29,202.			
b Gross sales price for all assets on line 6a	335,921.			
7 Capital gain net income (from Part IV, line 2)		29,202.		
8 Net short-term capital gain				
9 Income modifications				
10 a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss) (attach schedule)				
11 Other income (attach schedule)				
12 Total. Add lines 1 through 11	48,169.	48,169.		
13 Compensation of officers, directors, trustees, etc.	0			
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees (attach schedule) ATCH 3				
b Accounting fees (attach schedule) ATCH 4	2,850.			
c Other professional fees (attach schedule) *	8,577.	8,426.		
17 Interest				
18 Taxes (attach schedule) (see instructions)				
19 Depreciation (attach schedule) and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) ATCH 6	30.			
24 Total operating and administrative expenses.				
Add lines 13 through 23	11,457.	8,426.		
25 Contributions, gifts, grants paid	50,000.			50,000.
26 Total expenses and disbursements. Add lines 24 and 25	61,457.	8,426.	0	50,000.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	-13,288.			
b Net investment income (if negative, enter -0-)		39,743.		
c Adjusted net income (if negative, enter -0-)				



Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)		Beginning of year	End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value		
Assets	1	Cash - non-interest-bearing				
	2	Savings and temporary cash investments	5,257.	9,329.	9,329.	
	3	Accounts receivable ▶ Less allowance for doubtful accounts ▶				
	4	Pledges receivable ▶ Less allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see instructions)				
	7	Other notes and loans receivable (attach schedule) ▶ Less allowance for doubtful accounts ▶				
	8	Inventories for sale or use				
	9	Prepaid expenses and deferred charges				
	10 a	Investments - U S and state government obligations (attach schedule)				
	b	Investments - corporate stock (attach schedule)	517,637.	329,201.	528,333.	
	c	Investments - corporate bonds (attach schedule)	171,552.	342,628.	450,884.	
	11	Investments - land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶				
	12	Investments - mortgage loans				
	13	Investments - other (attach schedule)				
	14	Land, buildings, and equipment basis Less accumulated depreciation (attach schedule) ▶				
15	Other assets (describe ▶)					
16	Total assets (to be completed by all filers - see the instructions Also, see page 1, item I)	694,446.	681,158.	988,546.		
Liabilities	17	Accounts payable and accrued expenses				
	18	Grants payable				
	19	Deferred revenue				
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (attach schedule)				
	22	Other liabilities (describe ▶)				
23	Total liabilities (add lines 17 through 22)	0	0			
Net Assets or Fund Balances	Foundations that follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.					
	24	Unrestricted				
	25	Temporarily restricted				
	26	Permanently restricted				
	Foundations that do not follow SFAS 117, check here and complete lines 27 through 31. ▶ <input checked="" type="checkbox"/>					
	27	Capital stock, trust principal, or current funds	999,998.	999,998.		
	28	Paid-in or capital surplus, or land, bldg, and equipment fund				
29	Retained earnings, accumulated income, endowment, or other funds	-305,552.	-318,840.			
30	Total net assets or fund balances (see instructions)	694,446.	681,158.			
31	Total liabilities and net assets/fund balances (see instructions)	694,446.	681,158.			

Part III Analysis of Changes in Net Assets or Fund Balances			
1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	694,446.
2	Enter amount from Part I, line 27a	2	-13,288.
3	Other increases not included in line 2 (itemize) ▶	3	
4	Add lines 1, 2, and 3	4	681,158.
5	Decreases not included in line 2 (itemize) ▶	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	681,158.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse, or common stock, 200 shs MLC Co)			(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a SEE PART IV SCHEDULE					
b					
c					
d					
e					
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)		
a					
b					
c					
d					
e					
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(i) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col (h))		
(i) F M V as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any			
a					
b					
c					
d					
e					
2 Capital gain net income or (net capital loss) { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 } 			2	29,202.	
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6) If gain, also enter in Part I, line 8, column (c) (see instructions) If (loss), enter -0- in Part I, line 8			3	0	

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income)

If section 4940(d)(2) applies, leave this part blank

Was the foundation liable for the section 4942 tax on the distributable amount of any year in the base period? Yes No
 If "Yes," the foundation does not qualify under section 4940(e) Do not complete this part

1 Enter the appropriate amount in each column for each year, see the instructions before making any entries

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col (b) divided by col (c))	
2011	49,700.	888,565.	0.055933	
2010	43,884.	948,950.	0.046245	
2009	40,000.	902,547.	0.044319	
2008	29,500.	787,573.	0.037457	
2007	65,865.	1,084,798.	0.060716	
2 Total of line 1, column (d)			2	0.244670
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3	0.048934
4 Enter the net value of noncharitable-use assets for 2012 from Part X, line 5			4	932,838.
5 Multiply line 4 by line 3			5	45,647.
6 Enter 1% of net investment income (1% of Part I, line 27b)			6	397.
7 Add lines 5 and 6			7	46,044.
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate See the Part VI instructions			8	50,000.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

Table with 11 rows for excise tax calculations. Includes categories like 'Exempt operating foundations', 'Domestic foundations', and 'Tax based on investment income'. Total amount owed is 195.

Part VII-A Statements Regarding Activities

Table with 10 rows for activity statements. Includes questions about political campaigns, political expenditures, and substantial contributors. 'No' is marked for most items.

Part VII-A Statements Regarding Activities (continued)

11 At any time during the year, did the foundation, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," attach schedule (see instructions) 11 X
12 Did the foundation make a distribution to a donor advised fund over which the foundation or a disqualified person had advisory privileges? If "Yes," attach statement (see instructions) 12 X
13 Did the foundation comply with the public inspection requirements for its annual returns and exemption application? 13 X
Website address N/A
14 The books are in care of JANET MERRITT Telephone no 313-881-0500
Located at 95 CENTENNIAL MEDFORD, NJ ZIP+4 08055
15 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here 15
16 At any time during calendar year 2012, did the foundation have an interest in or a signature or other authority over a bank, securities, or other financial account in a foreign country? 16 Yes No

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1a During the year did the foundation (either directly or indirectly)
(1) Engage in the sale or exchange, or leasing of property with a disqualified person? Yes X No
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? Yes X No
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? Yes X No
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? Yes X No
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? Yes X No
(6) Agree to pay money or property to a government official? (Exception. Check "No" if the foundation agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days) Yes X No
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see instructions)? 1b
Organizations relying on a current notice regarding disaster assistance check here
c Did the foundation engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2012? 1c X
2 Taxes on failure to distribute income (section 4942) (does not apply for years the foundation was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5))
a At the end of tax year 2012, did the foundation have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2012? Yes X No
If "Yes," list the years
b Are there any years listed in 2a for which the foundation is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement - see instructions.) 2b
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here
3a Did the foundation hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes X No
b If "Yes," did it have excess business holdings in 2012 as a result of (1) any purchase by the foundation or disqualified persons after May 26, 1969, (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest, or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the foundation had excess business holdings in 2012) 3b X
4a Did the foundation invest during the year any amount in a manner that would jeopardize its charitable purposes? 4a X
b Did the foundation make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2012? 4b X

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required (continued)

5a During the year did the foundation pay or incur any amount to:

(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? Yes No

(2) Influence the outcome of any specific public election (see section 4955), or to carry on, directly or indirectly, any voter registration drive? Yes No

(3) Provide a grant to an individual for travel, study, or other similar purposes? Yes No

(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? (see instructions) Yes No

(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? Yes No

b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see instructions)? Yes No

Organizations relying on a current notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the foundation claim exemption from the tax because it maintained expenditure responsibility for the grant? Yes No

If "Yes," attach the statement required by Regulations section 53.4945-5(d)

6a Did the foundation, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

b Did the foundation, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

If "Yes" to 6b, file Form 8870

7a At any time during the tax year, was the foundation a party to a prohibited tax shelter transaction? Yes No

b If "Yes," did the foundation receive any proceeds or have any net income attributable to the transaction? Yes No

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see instructions).

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
ATCH 7		0	0	0

2 Compensation of five highest-paid employees (other than those included on line 1 - see instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title, and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors (continued)

3 Five highest-paid independent contractors for professional services (see instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

Total number of others receiving over \$50,000 for professional services ▶

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc

Expenses
1 N/A
2
3
4

Part IX-B Summary of Program-Related Investments (see instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2

Amount
1 NONE
2
All other program-related investments See instructions
3 NONE

Total. Add lines 1 through 3 ▶

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes		
a	Average monthly fair market value of securities	1a	928,269.
b	Average of monthly cash balances	1b	18,775.
c	Fair market value of all other assets (see instructions)	1c	
d	Total (add lines 1a, b, and c)	1d	947,044.
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	
2	Acquisition indebtedness applicable to line 1 assets	2	
3	Subtract line 2 from line 1d	3	947,044.
4	Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	14,206.
5	Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	932,838.
6	Minimum investment return. Enter 5% of line 5	6	46,642.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part)

1	Minimum investment return from Part X, line 6	1	46,642.
2a	Tax on investment income for 2012 from Part VI, line 5	2a	397.
b	Income tax for 2012. (This does not include the tax from Part VI)	2b	
c	Add lines 2a and 2b	2c	397.
3	Distributable amount before adjustments. Subtract line 2c from line 1	3	46,245.
4	Recoveries of amounts treated as qualifying distributions	4	
5	Add lines 3 and 4	5	46,245.
6	Deduction from distributable amount (see instructions)	6	
7	Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	46,245.

Part XII Qualifying Distributions (see instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes		
a	Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	50,000.
b	Program-related investments - total from Part IX-B	1b	
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3	Amounts set aside for specific charitable projects that satisfy the		
a	Suitability test (prior IRS approval required)	3a	
b	Cash distribution test (attach the required schedule)	3b	
4	Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	50,000.
5	Foundations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see instructions)	5	397.
6	Adjusted qualifying distributions. Subtract line 5 from line 4	6	49,603.

Note. The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2011	(c) 2011	(d) 2012
1 Distributable amount for 2012 from Part XI, line 7				46,245.
2 Undistributed income, if any, as of the end of 2012				
a Enter amount for 2011 only			23,818.	
b Total for prior years 20 <u>10</u> , 20 <u>09</u> , 20 <u>08</u>				
3 Excess distributions carryover, if any, to 2012				
a From 2007				
b From 2008				
c From 2009				
d From 2010				
e From 2011				
f Total of lines 3a through e				
4 Qualifying distributions for 2012 from Part XII, line 4 ▶ \$ <u>50,000</u> .				
a Applied to 2011, but not more than line 2a			23,818.	
b Applied to undistributed income of prior years (Election required - see instructions)				
c Treated as distributions out of corpus (Election required - see instructions)				
d Applied to 2012 distributable amount				26,182.
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2012 (If an amount appears in column (d), the same amount must be shown in column (a))				
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5				
b Prior years' undistributed income Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b Taxable amount - see instructions				
e Undistributed income for 2011 Subtract line 4a from line 2a Taxable amount - see instructions				
f Undistributed income for 2012 Subtract lines 4d and 5 from line 1 This amount must be distributed in 2013				20,063.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(F) or 4942(g)(3) (see instructions)				
8 Excess distributions carryover from 2007 not applied on line 5 or line 7 (see instructions)				
9 Excess distributions carryover to 2013. Subtract lines 7 and 8 from line 6a		0		
10 Analysis of line 9				
a Excess from 2008				
b Excess from 2009				
c Excess from 2010				
d Excess from 2011				
e Excess from 2012				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

NOT APPLICABLE

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2012, enter the date of the ruling

b Check box to indicate whether the foundation is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

Table with columns for Tax year (2012, 2011, 2010, 2009) and (e) Total. Rows include 2a (Adjusted net income), 2b (85% of line 2a), 2c (Qualifying distributions), 2d (Amounts included in line 2c), 2e (Qualifying distributions made directly), 3 (Alternative tests: Assets, Endowment, Support).

Part XV Supplemental Information (Complete this part only if the foundation had \$5,000 or more in assets at any time during the year - see instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000)

N/A

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here [X] if the foundation only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the foundation makes gifts, grants, etc (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d

a The name, address, and telephone number or e-mail of the person to whom applications should be addressed

b The form in which applications should be submitted and information and materials they should include

c Any submission deadlines

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
<p>a <i>Paid during the year</i></p> <p>ATCH 8</p>				
Total				50,000.
<p>b <i>Approved for future payment</i></p>				
Total				3b

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code... a Transfers from the reporting foundation to a noncharitable exempt organization of (1) Cash (2) Other assets b Other transactions (1) Sales of assets to a noncharitable exempt organization (2) Purchases of assets from a noncharitable exempt organization (3) Rental of facilities, equipment, or other assets (4) Reimbursement arrangements (5) Loans or loan guarantees (6) Performance of services or membership or fundraising solicitations c Sharing of facilities, equipment, mailing lists, other assets, or paid employees d If the answer to any of the above is "Yes," complete the following schedule

Table with 2 columns: Yes, No. Rows 1a(1) X, 1a(2) X, 1b(1) X, 1b(2) X, 1b(3) X, 1b(4) X, 1b(5) X, 1b(6) X, 1c X

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1: N/A, N/A

2a Is the foundation directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship

Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge Signature of officer or trustee Date Title

May the IRS discuss this return with the preparer shown below (see instructions)? Yes No

Paid Preparer Use Only Print/Type preparer's name Preparer's signature Date Check if self-employed PTIN Firm's name B BARRETT & ASSOCIATES Firm's address 130 KERCHEVAL SUITE 210 GROSSE POINTE FARMS, MI 48230 Firm's EIN 27-0789916 Phone no 313-881-0500

**FORM 990-PF - PART IV
CAPITAL GAINS AND LOSSES FOR TAX ON INVESTMENT INCOME**

Kind of Property		Description				P or D	Date acquired	Date sold
Gross sale price less expenses of sale	Depreciation allowed/ allowable	Cost or other basis	FMV as of 12/31/69	Adj basis as of 12/31/69	Excess of FMV over adj basis		Gain or (loss)	
71,709.		SCHWAB S/T PROPERTY TYPE: SECURITIES 72,025.				P	VAR -316.	VAR
264,212.		SCHWAB L/T 234,694.					VAR 29,518.	VAR
TOTAL GAIN (LOSS)							<u>29,202.</u>	

ATTACHMENT 1

FORM 990PF, PART I - INTEREST ON TEMPORARY CASH INVESTMENTS

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
SCHWAB	1.	1.
TOTAL	<u>1.</u>	<u>1.</u>

ATTACHMENT 2

FORM 990PF, PART I - DIVIDENDS AND INTEREST FROM SECURITIES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
SCHWAB	18,966.	18,966.
TOTAL	<u>18,966.</u>	<u>18,966.</u>

ATTACHMENT 4

FORM 990PF, PART I - ACCOUNTING FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>	<u>ADJUSTED NET INCOME</u>	<u>CHARITABLE PURPOSES</u>
ACCOUNTING FEES	2,850.			
TOTALS	<u>2,850.</u>			

FORM 990PF, PART I - OTHER PROFESSIONAL FEES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>	<u>NET INVESTMENT INCOME</u>
MANAGEMENT FEES	8,275.	8,275.
CUSTODY FEES	302.	151.
TOTALS	<u>8,577.</u>	<u>8,426.</u>

ATTACHMENT 6

FORM 990PF, PART I - OTHER EXPENSES

<u>DESCRIPTION</u>	<u>REVENUE AND EXPENSES PER BOOKS</u>
MISCELLANEOUS	
STATE OF NEW JERSEY FILING FEE	30.
FOREIGN TAXES	
TOTALS	<u>30.</u>

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 8

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
CHILDREN'S HOSPITAL FOUNDATION PO BOX 779 PHILADELPHIA, PA 19101-7790	NONE 501(C)3	CHARITABLE PURPOSES	
DEBORAH HOSPITAL FOUNDATION 20 PINE MILL RD BROWNS MILLS, NJ 08015	2000 501(C)3	CHARITABLE PURPOSES	
THE CURTIS INSTITUTE OF MUSIC 1726 LOCUST STREET PHILADELPHIA, PA 19103	NONE 501(C)3	CHARITABLE PURPOSES	
OPERATION SMILE 6435 TIDEWATER DRIVE NORFOLK, VA 23509	NONE 501(C)3	RESTORATIVE SURGERY OF CLEFT PALATES	5,000.
AUTISM SPEAKS 496 KINGS HWY NORTH CHERRY HILL, NJ 08034	NONE 501(C)3	CHARITABLE PURPOSES	10,000.
UNITED WAY OF MARTIN COUNTY PO BOX 362 STUART, FL 34995	NONE 501(C)3	CHARITABLE PURPOSES	2,000.

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 8 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND FOUNDATION STATUS OF RECIPIENT	PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
ANIMAL ORPHANAGE OF VOORHEES PO BOX 1363 COOPER ROAD VOORHEES, NJ 08043	NONE 501(C)3	CHARITABLE PURPOSES	5,000.
LUPUS FOUNDATION OF AMERICA 500 OLD YORK RD JENKINTOWN, PA 19046	NONE 501(C)3	GENERAL FUND	5,000.
PULMONARY FIBROSIS FOUNDATION 13332 N. HALSTEAD ST SUITE 201 CHICAGO, IL 60622	NONE 501(C)3	GENERAL FUND	
MASONIC HOSPICE 902 JACKSONVILLE RD BURLINGTON, NJ 08016	NONE 501(C)3	GENERAL FUND	
VIRTUA HOSPITAL 50 LAKE CENTER MARLTON, NJ 08053	NONE 501(C)3	GENERAL FUND	8,000.
QUIXOTE QUEST 108 SOMERDALE RD VOORHEES, NJ 08043	NONE 501(C)3	GENERAL FUND	

FORM 990PF, PART XV - GRANTS AND CONTRIBUTIONS PAID DURING THE YEAR

ATTACHMENT 8 (CONT'D)

RECIPIENT NAME AND ADDRESS	RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR AND		PURPOSE OF GRANT OR CONTRIBUTION	AMOUNT
	FOUNDATION STATUS OF RECIPIENT			
AMERICAN HEALTH ASSISTANCE FUND 22512 GATEWAY CENTER DR CLARKSBURG, MD 20871	NONE		GENERAL FUND	
BOYS AND GIRLS CLUB OF MARTIN COUNTY PO BOX 900 HOBE SOUND, FL 33475	NONE	501(C)3	GENERAL FUND	2,000.
PHILABUNDANCE 3616 SOUTH GALLOWAY STREET PHILADELPHIA, PA 19148	NONE	501(C)3	GENERAL FUND	2,000.
HURRICANE SANDY RELIEF PO BOX 6200 MERRIFIELD, VA 22116	NONE	501(C)3	HURRICANE SANDY RELIEF	9,000.
YOUTH SERVICES INC 410 N 34 STREET PHILADELPHIA, PA 19104	NONE	501(C)3	GENERAL FUND	
JUPITER MEDICAL CENTER FOUNDATION 1210 SOUTH DIXIE HIGHWAY JUPITER, FL 33458	NONE	501(C)3	GENERAL FUND	2,000.
TOTAL CONTRIBUTIONS PAID				<u>50,000.</u>

**SCHEDULE D
(Form 1041)**

Capital Gains and Losses

OMB No 1545-0092

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 1041, Form 5227, or Form 990-T.
▶ Information about Schedule D (Form 1041) and its separate instructions is at
www.irs.gov/form1041.

2012

Name of estate or trust THE ROYALTY TRUST JANET MERRITT, ANDREA CHAMBERS, GREG MERRITT	Employer identification number 20-6770692
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Note: Form 5227 filers need to complete *only* Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
1a					
b Enter the short-term gain or (loss), if any, from Schedule D-1, line 1b					1b -316.
2 Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824					2
3 Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts					3
4 Short-term capital loss carryover Enter the amount, if any, from line 9 of the 2011 Capital Loss Carryover Worksheet					4 ()
5 Net short-term gain or (loss). Combine lines 1a through 4 in column (f) Enter here and on line 13, column (3) on the back					5 -316.

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example 100 shares 7% preferred of "Z" Co)	(b) Date acquired (mo, day, yr)	(c) Date sold (mo, day, yr)	(d) Sales price	(e) Cost or other basis (see instructions)	(f) Gain or (loss) for the entire year Subtract (e) from (d)
6a					
b Enter the long-term gain or (loss), if any, from Schedule D-1, line 6b					6b 29,518.
7 Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8 Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8
9 Capital gain distributions					9
10 Gain from Form 4797, Part I					10
11 Long-term capital loss carryover Enter the amount, if any, from line 14 of the 2011 Capital Loss Carryover Worksheet					11 ()
12 Net long-term gain or (loss). Combine lines 6a through 11 in column (f). Enter here and on line 14a, column (3) on the back					12 29,518.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2012

Part III Summary of Parts I and II Caution: Read the instructions before completing this part.		(1) Beneficiaries' (see instr)	(2) Estate's or trust's	(3) Total
13	Net short-term gain or (loss)	13		-316.
14	Net long-term gain or (loss):			
a	Total for year	14a		29,518.
b	Unrecaptured section 1250 gain (see line 18 of the wrksht)	14b		
c	28% rate gain	14c		
15	Total net gain or (loss). Combine lines 13 and 14a	15		29,202.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4 (or Form 990-T, Part I, line 4a) If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary

Part IV Capital Loss Limitation		
16	Enter here and enter as a (loss) on Form 1041, line 4 (or Form 990-T, Part I, line 4c, if a trust), the smaller of a The loss on line 15, column (3) or b \$3,000	16 ()

Note: If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22 (or Form 990-T, line 34), is a loss, complete the Capital Loss Carryover Worksheet in the instructions to figure your capital loss carryover

Part V Tax Computation Using Maximum Capital Gains Rates

Form 1041 filers. Complete this part only if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22, is more than zero
Caution: Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if:
 • Either line 14b, col (2) or line 14c, col (2) is more than zero, or
 • Both Form 1041, line 2b(1), and Form 4952, line 4g are more than zero

Form 990-T trusts. Complete this part only if both lines 14a and 15 are gains, or qualified dividends are included in income in Part I of Form 990-T, and Form 990-T, line 34, is more than zero Skip this part and complete the **Schedule D Tax Worksheet** in the instructions if either line 14b, col (2) or line 14c, col (2) is more than zero

17	Enter taxable income from Form 1041, line 22 (or Form 990-T, line 34)	17	
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2) (or enter the qualified dividends included in income in Part I of Form 990-T)	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0-	21	
22	Subtract line 21 from line 20 If zero or less, enter -0-	22	
23	Subtract line 22 from line 17 If zero or less, enter -0-	23	
24	Enter the smaller of the amount on line 17 or \$2,400	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 and 26, go to line 27 and check the "No" box <input type="checkbox"/> No. Enter the amount from line 23	25	
26	Subtract line 25 from line 24	26	
27	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 27 thru 30, go to line 31 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	27	
28	Enter the amount from line 26 (If line 26 is blank, enter -0-)	28	
29	Subtract line 28 from line 27	29	
30	Multiply line 29 by 15% (15)		30
31	Figure the tax on the amount on line 23 Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		31
32	Add lines 30 and 31		32
33	Figure the tax on the amount on line 17 Use the 2012 Tax Rate Schedule for Estates and Trusts (see the Schedule G instructions in the instructions for Form 1041)		33
34	Tax on all taxable income. Enter the smaller of line 32 or line 33 here and on Form 1041, Schedule G, line 1a (or Form 990-T, line 36)		34

NorthStar Asset Management, LLC
 REALIZED GAINS AND LOSSES - SETTLED TRADES
THE ROYALTY TRUST

Janet Merritt, Gregory Merritt & Andrea Merritt-Chambers, Trustees

Schwab # 4116-7407 NAM # 100500

From 12-01-12 Through 11-30-13

Open Date	Close Date	Quantity	Security	Cost		Gain Or Loss	
				Basis	Proceeds	Short Term	Long Term
08-08-08	12-18-12	60	LABORATORY CORP OF AMERICA	4,188.52	5,242.29		1,053.77
08-08-08	12-18-12	100	LABORATORY CORP OF AMERICA	6,978.08	8,737.15		1,759.07
08-13-12	12-18-12	50.000	VANGUARD SHORT-TERM BOND ETF	4,062.00	4,043.56	-18.44	
08-13-12	12-26-12	350.000	VANGUARD SHORT-TERM BOND ETF	28,433.98	28,403.33	-30.65	
08-13-12	02-12-13	200.000	VANGUARD SHORT-TERM BOND ETF	16,247.99	16,161.45	-86.54	
08-13-12	03-15-13	70.000	VANGUARD SHORT-TERM BOND ETF	5,686.80	5,654.73	-32.07	
07-30-09	03-15-13	100.000	VANGUARD SHORT-TERM BOND ETF	7,931.19	8,078.18		146.99
12-26-12	05-14-13	100	ISHARES TR S & P LATIN AMER 40 INDX	4,383.50	4,371.35	-12.15	
12-26-12	05-14-13	100	ISHARES TR S & P LATIN AMER 40 INDX	4,383.50	4,371.45	-12.05	
12-26-12	05-14-13	100	ISHARES TR S & P LATIN AMER 40 INDX	4,383.50	4,371.35	-12.15	
12-23-05	05-14-13	200	STRYKER CORPORATION	9,124.00	13,268.27		4,144.27
12-23-05	05-14-13	40	STRYKER CORPORATION	1,824.80	2,653.66		828.86
12-28-12	06-13-13	133.725	VANGUARD INTERM. TERM CORP FD ADMIRAL SHS	1,382.72	1,335.35	-47.37	

NorthStar Asset Management, LLC
 REALIZED GAINS AND LOSSES - SETTLED TRADES
THE ROYALTY TRUST

Janet Merritt, Gregory Merritt & Andrea Merritt-Chambers, Trustees
Schwab # 4116-7407 NAM # 100500
From 12-01-12 Through 11-30-13

Open Date	Close Date	Quantity	Security	Cost		Gain Or Loss	
				Basis	Proceeds	Short Term	Long Term
12-28-12	06-13-13	36.574	VANGUARD INTERM. TERM CORP FD	378.18	365.22	-12.96	
03-30-12	06-13-13	43.162	ADMIRAL SHS VANGUARD INTERM. TERM CORP FD	435.07	431.01	-4.06	
03-30-12	06-13-13	16.331	ADMIRAL SHS VANGUARD INTERM. TERM CORP FD	164.62	163.08	-1.54	
12-29-11	06-13-13	12.809	VANGUARD INTERM. TERM CORP FD	127.71	127.91	0.20	
12-29-11	06-13-13	136.241	ADMIRAL SHS VANGUARD INTERM. TERM CORP FD	1,358.32	1,360.47	2.15	
12-31-10	06-13-13	130.296	ADMIRAL SHS VANGUARD INTERM. TERM CORP FD	1,287.32	1,301.11	13.79	
03-25-11	06-13-13	96.697	ADMIRAL SHS VANGUARD INTERM. TERM CORP FD	955.37	965.60	10.23	
03-25-11	06-13-13	2.330	VANGUARD INTERM. TERM CORP FD	23.02	23.27	0.25	
12-31-10	06-13-13	88.060	ADMIRAL SHS VANGUARD INTERM. TERM CORP FD	869.50	879.35	9.85	

NorthStar Asset Management, LLC
 REALIZED GAINS AND LOSSES - SETTLED TRADES

THE ROYALTY TRUST

Janet Merritt, Gregory Merritt & Andrea Merritt-Chambers, Trustees

Schwab # 4116-7407 NAM # 100500

From 12-01-12 Through 11-30-13

Open Date	Close Date	Quantity	Security	Cost		Gain Or Loss	
				Basis	Proceeds	Short Term	Long Term
03-30-10	06-13-13	41.499	VANGUARD INTERM. TERM CORP FD	405.03	414.40		9.37
12-30-09	06-13-13	17.479	ADMIRAL SHS VANGUARD INTERM. TERM CORP FD	168.50	174.54		6.04
07-29-09	06-13-13	11,233.259	ADMIRAL SHS VANGUARD INTERM. TERM CORP FD	103,395.93	112,172.94		8,777.01
02-08-12	07-01-13	200	RIO TINTO PLC SPONSORED ADR	12,585.55	8,110.29		-4,475.26
03-14-12	07-01-13	300	WISDOMTREE EMG MKTS H/Y EQUI	17,542.86	14,400.11		-3,142.75
01-09-12	07-01-13	400	WISDOMTREE EMG MKTS H/Y EQUI	20,819.95	19,200.14		-1,619.81
04-21-10	10-22-13	200	PRUDENTIAL FINANCIAL INC	12,609.45	16,438.37		3,828.92
06-16-11	10-22-13	100	PRUDENTIAL FINANCIAL INC	5,938.75	8,219.18		2,280.43
02-02-11	10-25-13	500	E M C CORP MASS	12,324.45	12,036.89		-287.56
12-18-12	11-01-13	5	APPLE INC	2,683.15	2,631.47	-51.68	
08-29-11	11-01-13	15	APPLE INC	5,616.17	7,894.40		2,278.23

NorthStar Asset Management, LLC
 REALIZED GAINS AND LOSSES - SETTLED TRADES
THE ROYALTY TRUST

Janet Merritt, Gregory Merritt & Andrea Merritt-Chambers, Trustees
Schwab # 4116-7407 NAM # 100500
From 12-01-12 Through 11-30-13

Open Date	Close Date	Quantity	Security	Cost		Gain Or Loss	
				Basis	Proceeds	Short Term	Long Term
01-06-06	11-01-13	200	CANADIAN NATIONAL RAILWAY CO	8,019.97	21,919.07		13,899.09
TOTAL GAINS						0.00	39,048.53
TOTAL LOSSES						-316.06	-9,530.98
TOTAL REALIZED GAIN/LOSS					29,201.49	-316.06	29,517.55

FORM 990PF, PART VIII - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

ATTACHMENT 7

TITLE AND AVERAGE HOURS PER
WEEK DEVOTED TO POSITION

NAME AND ADDRESS

JANET MERRITT
95 CENTENNIAL DRIVE
MEDFORD, NJ 08055

0 0 0

ANDREA CHAMBERS
133 HOPEWELL RD.
MARLTON, NJ 08053

0 0 0

GREGG MERRITT
800 CHILVERS
WHITING, NJ 08759

0 0 0

GRAND TOTALS